

AUGUST 9, 1973

TO: THE BOSTON REDEVELOPMENT AUTHORITY

FROM: ROBERT T. KENNEY, DIRECTOR

SUBJECT: WASHINGTON PARK PROJECT, MASS. R-24  
WAIVER TO LOAN AND CAPITAL GRANT CONTRACT  
RELATING TO INTEREST COSTS

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The Department of Housing and Urban Development has agreed to pay the excess interest cost over the contract rate of 6% on the \$2,421,000 Project Notes, Sixth Series 1973, dated September 5, 1973 to mature March 8, 1974. The bids were received and opened on August 7, 1973. On this transaction the difference amounts to \$920.34, which will be paid in the form of a supplemental grant.

An appropriate Resolution authorizing the Chairman to accept a waiver is attached for your consideration.

RESOLUTION

A RESOLUTION PROVIDING FOR THE RATIFICATION OF THE ACCEPTANCE  
ON THE SEVENTH DAY OF AUGUST, 1973,  
OF THE LOWEST AID OR BIDS IN EXCESS OF THE PROJECT TEMPORARY  
LOAN INTEREST RATE AND FOR THE ACCEPTANCE ON THE NINTH  
DAY OF AUGUST, 1973, OF A WAIVER BY THE  
UNITED STATES GOVERNMENT IN THE FORM ATTACHED AND PROVIDING FOR  
SIMILIAR AWARDS IN THE FUTURE.

BE IT RESOLVED BY the members of the Boston Redevelopment  
~~of~~ Authority (herein called the "Local Public  
Agency") as follows:

Section 1. The action of the Chairman  
on August 7, 1973, following approval of the Department of Housing  
and Urban Development (HUD), in awarding to the lowest bidder the  
Project Notes offered by this Local Public Agency notwithstanding  
such bid exceeds the Project Temporary Loan Interest Rate specified  
in the Loan and Capital Grant Contract, is hereby approved, ratified  
and affirmed.

SECTION 2. The Chairman or his duly  
acting representative is further authorized to accept, on behalf of  
the Local Public Agency, a fully executed waiver offered by HUD in  
the form of the attached waiver.

SECTION 3. Any and all prior resolutions of the Local  
Public Agency are hereby amended to the extent necessary to enable  
the Chairman to make  
awards at the rate or rates over the Project Temporary Loan Interest  
Rate upon assurances from HUD that such amounts exceeding the contract  
rate will be paid entirely by HUD as a supplemental grant or grants.



W A I V E R

TO BE ATTACHED TO CONTRACT NO. MASS. R-24 (IG)  
BY AND BETWEEN THE UNITED STATES OF AMERICA  
AND THE BOSTON REDEVELOPMENT AUTHORITY  
BOSTON , MASSACHUSETTS .

WHEREAS, the United States of America (herein called the "Government") has entered into a Loan and Grant Contract with the Boston Redevelopment Authority (herein called the "Local Public Agency"), numbered Contract No. Mass. R-24 (IG) dated May 1, 1963 , (herein called the "Contract"); and

WHEREAS, Section 301(C) of Part II of the Contract permits the Local Public Agency, with the prior written consent of the Government, to obtain loan funds from sources other than the Government at interest rates lower than the Project Temporary Loan Interest Rate specified in the Contract (herein called the "Contract Rate"); and

WHEREAS, Section 507 of the Housing and Urban Development Act of 1968, Public Law 90-488, provides that if the interest rate on loans for purposes permitted by the Contract, obtainable from sources other than the Government, is greater than the Contract Rate, the Secretary of Housing and Urban Development may permit the Local Public Agency to obtain such loans and may make a supplemental grant to the Local Public Agency in the amount of the difference between the interest cost of the loans from such sources and the interest cost at the Contract Rate; and

WHEREAS, the lowest interest rate(s) bid at the August 7, 1973 bid opening for the purchase of the Local Public Agency's Sixth Series 1973 Project Notes to be dated September 5, 1973 in the total principal amount of \$ 2,421,000 ; is (are) as follows:  
\$ 921,000 at 6.05 percent per annum with a premium of \$ None by Brown Brothers Harriman & Co. ;  
\$ 1,500,000 at 6.09 percent per annum with a premium of \$ None by Brown Brothers Harriman & Co. ; and

WHEREAS, the interest rate(s) so bid exceed(s) the Contract Rate and the Local Public Agency has requested that the Government waive the provisions of Section 301(C) of Part II of the Contract to the extent necessary to permit the Local Public Agency to accept the said bid(s) and, in addition, that the Government make a supplemental grant in accordance with Section 507 of the Housing and Urban Development Act of 1968; and

WHEREAS, the Government recognizes that the Local Public Agency's endeavor to obtain funds from sources other than the Government is desirable and in the public interest, and the Government is therefore willing to extend such waiver and make such supplemental grant.

NOW, THEREFORE, the Government, acting by and through the Secretary of Housing and Urban Development, hereby:

(a) Waives the provisions of Section 301(C) of Part II of the Contract to the extent necessary to permit the Local Public Agency to accept the aforesaid bid(s); and

(b) Acknowledges, by the execution of this waiver and its subsequent acceptance by the Local Public Agency, that it is committed to make a supplemental grant to the Local Public Agency in the amount of the difference, calculated without reference to any and all premiums bid, between the interest cost resulting from acceptance of the aforementioned bid(s) and the interest cost at the Contract Rate, said supplemental grant in no event to exceed \$                      ; Provided, that no part of the amount of said supplemental grant shall be required to be contributed by the Local Public Agency as a local grant-in-aid.

IN WITNESS WHEREOF, the United States of America has caused this Waiver to be duly executed this                      day of                      , 19      .

UNITED STATES OF AMERICA  
Secretary of Housing and Urban Development

BY

